

-TOP 10 NAHB ACTIONS TO BENEFIT OUR MEMBERS IN THE PAST MONTH-

1. NAHB actions helped ensure the inclusion of key language to support residential construction lending within the Small Business Lending Fund Act of 2010.

The House of Representatives passed H.R. 5297, the [Small Business Lending Fund Act of 2010](#), on June 17, a measure that would provide \$30 billion in additional capital to community banks to expand small business lending. Of particular interest to NAHB members, a provision inserted into the legislation includes construction lending in the fund as a way to help address the severe shortage of acquisition, development and construction (AD&C) financing for small building firms. NAHB was deeply engaged throughout the legislative process to ensure that this crucial language was included in the bill, and we [applauded the efforts](#) of Reps. Brad Miller (D-NC), Joe Baca (D-CA) and Majority Leader Steny Hoyer (D-MD) in accomplishing this goal. The fact that the amendment referencing residential construction passed by a vote of 418 to 3 shows that lawmakers understand the importance of restoring health to the housing industry in order to promote economic recovery.

While this one measure will not end the construction lending crisis — and indeed, the Small Business Funding Act still has to be taken up and approved by the Senate — it is an important step in our legislative push to address the AD&C credit crunch. Going forward, NAHB will be urging the Senate to move quickly to adopt H.R. 5297, the small business lending bill. We will also be working to build support in the House for [stand-alone legislation \(H.R. 5409\)](#) that would create a \$15 billion loan guarantee program for residential AD&C lending under the Treasury Department. Meanwhile, our efforts to seek regulatory changes that will help improve the flow of credit for housing production will also continue. Contact: Scott Meyer, 800-368-5242, x8144.

NBN Special Edition

A special edition of *Nation's Building News* (NBN) published on June 21 was devoted exclusively to NAHB's efforts to combat the acquisition, development and construction (AD&C) credit crisis and appraisal problems that are hampering the housing recovery. If you have concerns about AD&C lending and appraisal problems or are seeking more information on resources available to NAHB members, we encourage you to check out the special June 21 edition of NBN at www.nahb.org/nbn and share it with your colleagues. Contact: Tim Ahern, 800-368-5242, x8405.

2. In continuing efforts to improve appraisal guidelines, NAHB recently submitted a series of recommendations on this subject to Fannie Mae and Freddie Mac.

Our suggestions are aimed at resolving issues with valuations of new homes and clarifying activities that are permissible to home builders in order to ensure that appraisers have sufficient information to arrive at an appropriate appraisal. NAHB staff will meet with Fannie Mae executives shortly to follow up on these recommendations and keep the lines of communication open on this significant issue. Contact: Stephen Linville, 800-368-5242, x8597.

3. A free educational webinar on June 29 provided NAHB members with advice on options for sustaining project financing after a bank or lender has failed.

"Builder Loans in Bank Failures: A Survival Guide" was sponsored by Builders CoPilot and supported by NAHB's Business Management & Information Technology and Housing Finance committees. Panelists included builders and a housing finance expert explaining such things as 1) how to tell if your bank is at risk and what to do if it is; 2) What to do if the FDIC or another bank acquires your loan; 3) strategies for avoiding or dealing with an FDIC receivership; and 4) what NAHB resources are available to help. Contact: Agustin Cruz at 800-368-5242, x8472.

4. At NAHB's urging, the EPA has agreed to temporarily delay enforcement of the new Lead: Renovation, Repair and Painting rule, giving remodelers and other contractors more time to get trained.

In revised guidance that the agency released on June 18, it acknowledged that remodelers in many parts of the country have been unable to obtain the required training to comply with the rule — a problem that NAHB has urged EPA to solve since the rule was announced two years ago. This issue came to a head in May after floods devastated parts of Tennessee and there weren't enough certified remodelers to complete the much-needed home repairs. NAHB and the state home builders association proposed a delay in enforcing the rule at that time, and our answer came with EPA's announcement (which included much of the same wording that was in our request).

Importantly, in its decision to delay enforcement of the rule, EPA said that remodelers, electricians, heating and air conditioning technicians and other contractors must adhere to lead-safe work practices, including the use of special equipment filters and a ban on open flames, but that EPA will not take enforcement action against firms that have been unable to obtain certification until Oct. 1 of this year. Individual contractors, it said, must apply to enroll in a training class by Sept. 30 and complete that training by Dec. 31, 2010. NAHB is now seeking clarification of this directive, including an explanation of how remodelers and others can be expected to abide by lead-safe practices before they've received the necessary training. Contact: Calli Schmidt, 800-368-5242, x8132.

5. NAHB's code experts were on the job during a very busy eight days of ICC Final Action Hearings on proposed changes to the International Residential, Building, Fire, Plumbing, Mechanical, Fuel Gas and Existing Building Codes.

In the "Group A" Final Action Hearings held recently in Dallas, NAHB took a position of support or opposition on 229 proposals affecting residential construction, with very good overall results. Our code advocates successfully supported NAHB's position on

a wide range of code change proposals dealing with accessibility, egress, fire protection, structural integrity, plumbing, mechanical and fuel gas issues. For example, NAHB help defeat a proposal that would have mandated “visitability” provisions for all one- and two-family dwellings, including a requirement for the main entry doors to all new homes to be at grade level with no step-up.

Our code experts additionally helped defeat a proposal to increase in the tread depth and lower the riser height that would have significantly increased the required footprint for stairs in new homes. If successful this code change would have greatly impacted smaller, more affordable homes and townhouses. NAHB also brought common sense to a proposal in the International Fuel Gas Code that would have prevented any unvented heater from being installed in a home. If passed, unvented fireplaces, room heaters and similar products would have been banned outright from residential use. Meanwhile, NAHB’s code advocates once again faced a serious challenge from fire officials on a number of fire protection proposals dealing with fire sprinkler tradeoffs, protection of exposed floor joists in basements and crawl spaces, fire separation distances and zero lot line construction. Stay tuned for results from ICC's "Group B" Final Action Hearings this fall. Your contact is: Larry Brown, 800-368-5242, x8565.

6. A new YouTube video from NAHB's Production Group features Chief Economist David Crowe explaining to consumers why now is a good time to buy a home.

Now that the recently successful home buyer tax credit program has ended, there are still plenty of good reasons to consider homeownership, Dave says. These include mortgage rates that are near historic lows, attractive home prices that appear to have stabilized in many markets, and an excellent selection of new and existing homes on the market. Dave also explains some of the benefits of buying a new home compared to an existing one, the tax advantages of homeownership and more. NAHB members and HBAs are invited to [view this video](#) and use it to encourage and inform consumers. Its placement on YouTube is meant to ensure its viewing by as many consumers/potential home buyers as possible. Contact: Jeff Bankert, 800-368-5242, x8077.

7. Citing the potential effects on the elderly and disabled, NAHB has petitioned the federal Department of Energy (DOE) to rethink its new "interpretive rule" that changes the accepted definition of a showerhead.

The agency has said that the change is intended to improve water efficiency, but NAHB is concerned that it goes too far. A core component of successfully aging in place "is identifying and removing all barriers within the home that can restrict the ability of older home owners to live independently," said NAHB in its official comments. The association's Certified Aging in Place Specialist (CAPS) educational

curriculum talks about how to remove these barriers. Modifying a traditional shower stall with a single showerhead to one with an additional, flexible hose is one such improvement that CAPS professionals often make. But feeding both showerheads with fully pressure-controlled and anti-scald control valves and individual shutoffs easily accessible from inside and outside can't be accomplished under the new definition because sets of multiple fixtures must be treated as one showerhead, and therefore the total amount of water pressure must be split between the two heads, according to the DOE proposal. Had the agency gone through the typical "notice and comment" process that allowed manufacturers, suppliers, builders and consumers to respond to the proposal and offer suggestions for improvement, it might have addressed these concerns in a more "equitable and informed manner," our comments noted. For more information, contact Michael Mittelholzer, 800-368-5242, x8660.

8. NAHB has officially petitioned the EPA to scrap its current plan and come up with a brand-new set of rules for builders and developers to follow when they manage stormwater discharges from construction sites.

In a June 10 letter to the EPA Administrator, NAHB said that the agency's construction and development effluent limitation guidelines (ELGs) do not work for the home building industry, are based on faulty science and will result in costs that far exceed any environmental benefit. As a result, we said, EPA should propose a new standard that is more appropriate for this category of dischargers. NAHB's petition follows an earlier request from the federal Small Business Administration, which in its petition noted that the runoff from home building sites accounts for less than a quarter of 1% of the sediment that goes into bodies of water protected by the Clean Water Act, yet the new controls could cost the industry up to \$10 billion a year — a tenfold increase over current mandates. While EPA has previously exempted the home building industry from ELGs, a lawsuit from the Natural Resources Defense Council resulted in a court settlement that required EPA to propose its new guidelines. But as NAHB noted in our petition, "In its rush to meet the court-ordered December 2009 deadline, EPA promulgated a standard without providing the public with an opportunity to review the data or methodology upon which it was based." And as it turns out, "We have subsequently uncovered a series of technical errors that, at a minimum, should cause EPA to reconsider the standard," we said. Contact: Ty Asfaw, 800-368-5242, x8124.

9. NAHB helped our members and HBAs make the most of National Homeownership Month this June by offering a variety of [free online promotional materials](#).

The many resources available include everything from sample articles for local newspapers to localized housing data, and radio, print and web banner advertisements. Members can also download NAHB's "[Guide to Celebrating National Homeownership Month in June](#)" from our Web site at NAHB.org. This kit provides helpful tips and ideas on ways to commemorate the month, such as

planning a news conference or holding a homeownership fair. Members and HBAs are welcome to distribute the homeownership month information to their local news media throughout June or anytime during the year. You should also know that [customizable articles](#) are available that you can place in special tabloid sections for home shows, parades of homes or other special events. For more information, visit www.nahb.org/homeownershipmonth. Contact: Brooke Fishel, 800-368-5242, x8061.

10. The newest addition to NAHB's Member Advantage program provides you and your family members with access to high-quality auto, homeowners and renters insurance from the Liberty Mutual Insurance Company.

As an NAHB member, you can take advantage of significant group discounts on Liberty Mutual's products, including insurance for your car, home, condominium, motorcycle, or boat. Be sure to also ask about Liberty Mutual's multi-policy discount for insuring both your home and auto. For details or a free quote, call Liberty Mutual at 1-800-531-3398 or visit www.libertymutual.com/nahb. Your NAHB contact is [Christy Ronaldson](#), 800-368-5242, x8273.